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January 25, 2010

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423

ENTERED
Office of Proceedings

JAN 25 2010

Part of
Public Record

BY ELECTRONIC FILING

Re: Wisconsin Central, Ltd. – Abandonment Exemption – Polk County, WI
STB Docket No. AB-303 (Sub No. 18X)

Dear Ms. Brown,

In response to the inquiry from your office on January 19, 2010, the Wisconsin Department of Transportation submits this letter on behalf of the Wisconsin Department of Natural Resources to explain the current status of negotiations on the above named Abandonment Exemption proceeding.

I consulted with Attorney Michael Barron of Wisconsin Central, Ltd., and DNR staff to determine the status of the negotiations for this rail line segment.

The rail line segment from Milepost 49.6 to Milepost 63.08 has been conveyed to DNR and has been converted to a trail. The remaining segment, from Milepost 49.6 to Milepost 47.83, would connect the first segment to another existing trail, and DNR is interested in this segment for trail use. However, there is a business along that portion of the line that WCL would like to serve if the business (a quarry) can clear certain regulatory hurdles.

The potential customer is currently seeking regulatory permission to commence operations, and expects that this process will take one to two years. The business has been engaged in the permitting process for approximately one year. WCL would like to serve this customer if operations commence. If, for any reason, the business does not actually materialize as a rail consumer, then WCL will continue negotiations with DNR for this remaining segment of rail line, which both parties expect would result in successful banking of the entire segment.

DNR and WCL respectfully request that the Board allow the NITU to be extended until the question of the quarry is resolved so that the rail line segment may be used to the best

business and public potential¹. If the NITU lapses, WCL may be forced to rehabilitate the line to meet its common carrier obligation even though no current consumer exists on the line. Alternatively, if DNR purchases the line for trail use before the consumer develops, the line will have to go through the regulatory process of reactivation. Both DNR and WCL agree that the current status, although not ideal, does afford both parties, the public and the business interest the most advantageous position to best use the rail segment when the relevant circumstances are resolved.

Thank you for your attention to this request. Please contact me with any questions or concerns, or if I can provide any additional information.

Very truly yours,



Kathleen Chung
Wisconsin Department of Transportation
kathleen.chung@dot.wi.gov

¹ Both parties understand that 180 day extension requests would be required in any event

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing letter of explanation in regards to **AB303 18X**, by electronic mail, pursuant to 49 C.F.R. §1104.12, this 25th day of January, 2010, on all parties of record on the service list.

Kathleen Chung

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